JOINT STATEMENT ON THE CLIMATE LAW

We the undersigned, representing various sectors active in packaging and the bioeconomy, support an ambitious Climate Law that recognizes the role of sustainable low carbon and circular materials, such as renewable materials, in achieving climate neutrality.

The EU Green Deal represents both an opportunity and a challenge for the bioeconomy sectors. We support the EU on its way to achieve climate neutrality by 2050 to protect the future of our planet by providing the inputs for a low carbon bioeconomy, while creating a sustainable competitive advantage for the European industry. Achieving climate neutrality requires the contribution of all sectors of the European economy, and clear incentives for developing climate-friendly and sustainable practices, products and technologies. While energy efficiency and renewable energy are fundamental to reach this objective, climate neutrality will only be possible by also cutting the emissions associated with the production, use and disposal of materials. Materials and manufactured products account for nearly one fifth of the total EU CO₂ emissions (data from 2018). It is, therefore, crucial that the Climate Law addresses the potential for climate change mitigation offered by materials and links climate policy with the circular economy.

Bioeconomy is one of the most successful examples of a European strategic value-chain. The bioeconomy sectors are instrumental players in the transition to a circular and climate neutral economy and are keen to pursue their continuous research & innovation efforts to make the EU Climate Law a success. The bioeconomy is already worth more than €2 trillion annually and employs over 18 million Europeans. By storing and utilizing carbon dioxide and replacing carbon intensive fossil-based resources, sustainably sourced renewable materials offer a key opportunity to help achieve Europe’s climate ambitions. By enabling the substitution of finite fossil-based materials and through their re-circulation in the economy thanks to recycling (mechanic, organic and chemical), renewable materials are also key for the European circular economy and security of supply of raw materials. The European Commission’s strategic long-term vision for 2050, “A Clean Planet for all”, which is the Impact Assessment for the Climate Law, identifies the bioeconomy and the circular economy as key strategic areas to achieve a climate neutral economy. In the words of the long-term vision, “sustainable biomass has an important role to play in a net-zero greenhouse gas emissions economy”.

To fully unleash the contribution of a circular bioeconomy to climate neutrality, we suggest that the Climate Law:

- Recognises the essential role of renewable and low carbon materials, in achieving climate neutrality.

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1 Materials and manufactured products represent 23% of the CO₂ emissions due to domestic final demand for products. As domestic final demand for products constitutes 77% of the total EU-27 carbon footprint, materials and manufactured products constitute nearly one fifth of the total EU-27 CO₂ emissions (23% X 77% = 17.7%). Data are from Eurostat: [https://ec.europa.eu/eurostat/statistics-explained/index.php?title=Greenhouse_gas_emission_statistics_-_Carbon_footprints#Carbon_dioxide_emissions_associated_with_EU_consumption](https://ec.europa.eu/eurostat/statistics-explained/index.php?title=Greenhouse_gas_emission_statistics_-_Carbon_footprints#Carbon_dioxide_emissions_associated_with_EU_consumption)
• Mandates the Commission to assess (i) how existing EU legislation on materials and products can be revised to promote the use of renewable and low carbon materials with **climate benefits** that act as carbon sinks and/or partially substitute fossil-based materials, and (ii) how existing regulatory and societal impediments to (technological) innovation can be addressed, to set the correct incentives and pave the way for the most effective solutions with which the formidable global challenges can be approached.

• **Calls on Member States to assess the impacts of their planned policies on materials and products to meet the climate neutrality objective** set by the Climate Law, as part of the regular update of their **National Energy and Climate Plans (NECPs)**.

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